

**AGADIR ACTIVITY MANAGEMENT SERVICES
PROGRESS REPORT #4**

FOURTH QUARTER 2001

**Prepared for:
USAID/Morocco**

**Under Delivery Order No. OUT-PCE-I-809-98-00015-00
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**Submitted by:
Chemonics International Inc.**

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BACKGROUND

Technical assistance for implementation of the Agadir Activity Management Services is provided by Chemonics International Inc. under a Task Order, with a total estimated budget of \$1,983,649. The objective of the Task Order under the GBTI IQC PCE-98-000-15-00 is to strengthen the institutional effectiveness of two key industry associations (APEFEL and GRIT) of the Souss-Massa-Draa Region and to develop Total Quality Management at the Commercial Court of Agadir. The two key associations are to be used as intermediaries to deliver business support services to small and medium enterprises in the region. (Note: USAID decided in this quarter to end all of its financial and technical assistance to FIPROMER, the fishing industry association, due to a lack of progress by the association. This was the third association partner under the original task order.) The overall goal of the activity is to improve the competitiveness of Moroccan products in world markets by raising of professional standards and lowering costs for all of the associations' members. Chemonics International also has the mandate to provide technical assistance, training and commodities needed for the Commercial Court of Agadir to increase its efficiency and effectiveness.

Summary

This past quarter was very busy. We underwent an internal audit, took action to strengthen our management structure and initiated several actions related to results monitoring and performance indicators. The pace of implementation increased for both the associations and the Commercial Court. Major progress was made in all computer related components (equipment, cabling, training) and database development for APEFEL and GRIT. Our three partners re-organized their work space, taking down walls and re-organizing their physical environment to accommodate new ways of working based on easier access to information by all. Our partners' visible ownership of project activities by these efforts is the best impact indicator we could have expected at this stage. It points in the direction of sustainable impacts. Web site development was discussed in a preliminary fashion and some preliminary work was done on both the Court's and APEFEL's Observational Study Tour (OST).

SECTION 1: ADMINISTRATION

Time was devoted to Chemonics' Internal Audit. Richard Dreiman, Chemonics Project Supervisor for the Agadir activities, visited the field office from 26 Nov. – 5 Dec 2001. He verified our files and wrote a brief audit report to assist us in enhancing our system. He found our management and filing systems to be well organized and noted the conformity of our procedures to USAID rules and regulations.

We also had an intensive working session with Omar Anbare, our consultant on Performance Indicators. We discussed more specifically the next data collection, reporting format requested by Mrs. Mokrani of USAID and the monitoring exercise for January 2002. The associations and the Commercial Court have been informed by Chemonics that they will need to collaborate with Mr. Anbare. We briefed the consultant on how important it is to provide USAID with reliable information from the

field. His report is expected at the end of January 2002, a little after yearly financial results for year 2001 are available.

Following the decision taken during Richard Dreiman's visit to Morocco, it was decided and agreed by USAID that Chemonics should recruit an Information Technology Specialist to join our team in Agadir. We are fast moving into web site development and integration of the various NTI components. At this stage, both associations need day-to-day support that can hardly be provided by short-term consultants. We drafted an advertisement that was published in the *Économiste* on Dec. 7. We received 11 résumés, one from Agadir and 10 from Casablanca. A pre-selection was done and we interviewed 5 candidates, with review assistance from a local computer engineer who had previously supported our project. Using an evaluation matrix of 5 pre-requisites, two candidates ranked 5/5 and all the others ranked 4/5. One candidate from Agadir sent an application but his skills did not exactly match our needs. He ranked 1/5. We are currently negotiating a contract with the best candidate and hope he agrees to join our team at the earliest possible time.

SECTION 2: THE PROFESSIONAL ASSOCIATIONS

The work with the GRIT and APEFEL has been increasingly satisfactory. The associations' expectations are more realistic and they understand better the constraints under which we operate when managing USAID funds.

As noted above, USAID decided during this quarter to end all support to FIPROMER, the fishing industry association. FIPROMER was unable to resolve some major internal organizational and management issues, and hence was unable to make the progress as specified in the Memo of Understanding signed with USAID. Consequently, USAID determined that FIPROMER could not achieve the desired results in the given timeframe and decided to end its assistance. The remaining FIPROMER funds will be re-programmed for activities with the other associations, GRIT and APEFEL.

In the past 2.5 months, GRIT and APEFEL employees have been involved in intensive computer training. The training is almost completed and substantial progress was made. Both associations are satisfied. Additional, very specific training sessions might be needed once the Web Sites and databases are integrated, but basic skills required for maximum efficiency have been acquired.

Most importantly, both associations are beginning to change their way of thinking. The USAID Agreement is no longer "one of the things they manage." Most decisions taken by both groups are first analyzed in light of the new ideas brought to them by James MacGregor (tourism and GRIT) and Daniel Malenfant (agro-exports and APEFEL), international experts provided under this Task Order. Until very recently these experts were only referred to as being part of the Chemonics team, whereas they are now seen as key advisors to the respective associations. The paradigm under which core people in both groups are operating is beginning to shift.

APEFEL

APEFEL membership is re-unified again. The tensions that prevailed last summer, when its membership came close to splitting the association as a small group of active members questioned the political orientations of the association and its management, are now over. The Board held a General Assembly to provide members with the opportunity to decide between various options and political orientations, but the dissidents decided not to seek election. The meeting was held on October 27th at the Complexe Horticole of Ait Melloul and focused on drought and agricultural indebtedness, a major concern of local producers. Mr. Akrim, the Executive Director of APEFEL, resumed his position within the association in early October 2001.

As mentioned in our last report, a key recommendation made by Daniel Malenfant was that we focus on improving APEFEL's precise knowledge of its constituents. Based on the common understanding that a sound database of its membership was needed, we recruited TRANSPARENCE INFORMATIQUE to develop it. Our selection of the company was approved by USAID on October 21st and a contract was signed shortly after. Implementation is proceeding as planned. The supplier, as well as APEFEL, anticipated that work would be somehow slowed down by the problem of communication between the association and its members. The pilot study did confirm that such would be the case. While some of the members contacted were informed of the project and/or understood the importance of the survey, others (estimated 20%) refused to collaborate. It is likely, however, that the situation will improve as TRANSPARENCE proceeds. Producers gather at various informal meeting points throughout the Souss to eat and exchange information, and will likely discuss the survey and help to diffuse more accurate information about its purpose.

Also stressed by Daniel Malenfant is the need for a better working structure to improve staff efficiency. As we discussed on various occasions, APEFEL staff already provided numerous services to the associations' members. This was, however, at a high cost. Staff tended to be overworked. All requests for information were answered -- while no distinction was made between members and non-members (providing no incentive to become a paying member), or between information of specific interest to one producer and what is of general interest to a large number of producers. A training program was organized and three APEFEL staff, Ms. Ibnatoubet, Ms. Boroughs and Mr. Ramani, were trained in Montreal, Canada from Oct. 7th to Oct. 16th. Four days of the total 6-day training were tailored to each employee's needs. Each of them was teamed with a professional in an association that performed exactly the same tasks he/she does within APEFEL. Two days were devoted to topics of interest to all employees such as the role and management of associations, evolution of producers associations, marketing and services to members. The training was a success. Results and impact of that training will be discussed in the next two reports Chemonics will be submitting in January (Sustainability Report – Deliverable # 5 – ARTICLE IV of our Task Order) and our report on Performance Indicators. The reader may also consult Daniel Malenfant's report on the training dated October 2001, that was submitted to USAID this week.

Following staff training in Montreal, we held several meetings with APEFEL to discuss the experimental provision of paying training for members. A training program for year 2002 will be developed with the assistance of a consultant that will guide APEFEL staff on how to successfully develop a program that meets the needs of members. APEFEL national management structure remains skeptical of this

activity. APEFEL decision makers are not yet clear on what services should be free and which ones should be offered for a fee. APEFEL staff is convinced, however, of the value of the approach and should help make this experiment a success.

Recruitment for a local supplier to develop the APEFEL web site is expected to begin next week. We will also begin planning the APEFEL OST for its senior directors early on this quarter.

GRIT

GRIT related work focused on the “Profil de la clientele” or Exit Questionnaire Survey and Tour Operator Survey. A request for proposals was issued and Terms of Reference sent to 7 potential suppliers. Because of the consequences on tourism of the September 11th attacks, and the Ministry of Tourism’s general lack of support, GRIT requested that the best supplier be selected to ensure total quality. We involved the association and a joint committee including Chemonics and GRIT staff did the selection. The process was postponed slightly because of Mr. MacGregor’s concern that data collected in October and November would not be reliable. B Marketing of Casablanca was selected. The survey began in December and is proceeding as planned. B Marketing’s experience for this type of survey is an invaluable asset. It easily pre-identified 26 candidates to work as interviewers, had language tests and interviews performed. Within two weeks the firm had two teams of interviewers selected and trained; the questionnaire format revised and tested. We are so far satisfied with its work.

Work also began development of the Tour Operator database . Since 7 out of 9 sources of information can be accessed locally, GRIT launched an appeal to the industry and information is already being made available. Two graduates in Marketing from the School of Tourism are currently being recruited for a two-month contract. They will work with our new IT specialist to develop the database.

The next activity planned in our work plan is the identification and recruitment of local supplier to develop GRIT’s web site. We will soon begin the planning around Mr. Macgregor’s next trip to Agadir, now scheduled for late March-early April 2002.

SECTION 3: THE COMMERCIAL COURT OF AGADIR

Work at the Commercial Court of Agadir has been very intensive. Cabling of the Court was done by MTDS, Sept. 27 – Oct. 26. Upon inspection, a team from the Ministry of Justice declared the work very satisfactory. Following cabling, the equipment acquired were delivered and installed at the beginning of November. A team from the Ministry of Justice headed by Mr. Fahsi then initiated work on the network configuration on Nov. 12-16. All the work could not be done during that mission and Mr. Amin, one of the Ministry’s computer experts, came back to Agadir to complete the work on Dec. 12-15.

Computer training of the judges and clerks by OFPPT will be completed in January 2002. The judges are taking English courses every second week. Once their computer training is completed, in the second week of January, they will begin their professional training session with Cabinet Conseil Maître Maria Bahnini of Rabat.

Résumés of trainers are to be submitted to the Court and to Chemonics for approval in the coming week.

We also recruited Tarik Fdil, an expert in computerized archive systems, who came to Agadir to assess the work that needs to be done at the Commercial Court. He was asked to identify the various options for computerized archiving systems in terms of management for both court cases and registry of commerce. His report will be submitted to USAID and the Ministry of Justice in the coming week. As part of his work, Mr. Fdil reviewed the various automated case management software developed and installed by the Ministry of Justice, as well as the software developed for the registry of commerce. We were very pleased to hear that the applications developed that are currently tested seem to be satisfactory.

As soon as the Ministry of Justice acknowledges receipt of Mr. Fdil's report and communicates to us the national guidelines for the archives of Commercial Courts, we will proceed in identifying and recruiting the best supplier for the work. Depending on the options selected, the task could take up to 4 months and should proceed without delay.

CONCLUSION

The Chemonics team in Agadir is very satisfied with progress made in this 4th Quarter. Results are starting to show impacts that can already be felt in terms of the mentality and work products of our partners. It is very motivating to be a part of these positive changes.

We thank USAID/Rabat for its constant support and encouragement in implementing the Agadir Activities Management Services.

Annex

Local and national procurements of subcontractor and consultant goods and services.

American Language Center of Agadir	202 140 dhs
Bestmark of Agadir – Mr. Bennani Equipment for FIPROMER	163 440 dhs
Top Info of Agadir – Hafid Mania Equipment for APEFEL and GRIT	565 280 dhs
Class Informatique Agadir – Rachid Achour Equipment for the training room at the Court	342 596 dhs
ENCG Agadir – Mr. Marzak Forty eight hour training in management to judges	38 020 dhs
ENCG Agadir – Mr. Marzak Twenty hour of management to chief clerks	24 300 dhs
OFPPPT Agadir – Mohamed Atif Computer Training for the Court	135 240 dhs
MTDS of Rabat – Karl Stanzick Cabling for the Court	330 000 dhs
Techiser SARL Casablanca – Mr. Riyad Training for Anderrahim Moumin in Power Builder	24 144 dhs

Kamal Jbara (consultant from Rabat) Maître d'Ouvrage for the cabling of the Court	57 048 dhs
Transparence Informatique of Agadir – Mr. K. Souhnoun APEFEL DataBase	420 000 dhs
FOCS Casablanca – A. Daif Group Focus APEFEL and Training to suppliers	98 000 dhs
A. El Idrissi (consultant from Casablanca) Co-facilitator for Group Focus GRIT and APEFEL	37 320 dhs
A. Daif (consultant from Casablanca) Facilitator Group Focus GRIT	30 405 dhs
Omar Anbare (consultant from Agadir) Work on Performance Indicator	94 500 dhs
Tarik Fdil (consultant from Casablanca) Mission on Court Archiving Systems	25 600 dhs
Impact-Sud Agadir – A. Tagoulla Computer Training for the associations	85 000 dhs
Cabinet Conseil Maitre Maria Bahnini Rabat – Maria Bahnini Professionnal Training of judges	521 700 dhs
LA FORMATION Agadir – Rachid Achour Computer Training for the associations	220 000 dhs
B Marketing Casablanca – Said Berrechid GRIT Exit Survey	550 000 dhs